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Congress of the United States
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House of Representatives
FCC Mailroom
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CONSTITUTION AND CIVIL JUSTICE

792

SMALL BUSINESS

October 9, 2018

Chairman Ajit Pai
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Pai,

My staff attended a meeting you held at Spencer Municipal Utilities in June 2017 as part of a broader "listening tour" you held. Thank you for visiting my congressional district and for your commitment and efforts to increase high-speed internet access for all Americans. As you are aware, this is critically important for my predominantly rural congressional district and is the purpose for which I write to you today.

I have recently been contacted by small internet providers in my district who are concerned with some aspects of the FCC's proposed rules regarding the 3.5 GHz Citizens Broadband Radio Service (CBRS) band. It is my understanding that the FCC will discuss changes to the current rules at its upcoming October meeting. While I commend your broader, comprehensive approach to addressing these issues, I respectfully write to highlight a few concerns that could have a negative or extreme impact on small internet providers in my district.

First, small internet providers in my district need additional spectrum space to keep up with increased demand. As their customer base expands, there is an increasing demand for broadband internet. The increased demand on the current bandwidth causes major congestion problems. Furthermore, there is great need for additional spectrum to reach potential customers within range of their towers that they cannot serve because they do not have access to adequate spectrum to do so. Whether it is low-, mid-, or high-band spectrum—I implore you to keep the needs of rural America and small fixed wireless providers in mind.

Providing high-speed internet to rural areas requires considerable capital investment. Unfortunately, we have not seen a commensurate investment in rural broadband by many of the larger, national providers. Accordingly, the burden falls on small internet providers who have a desire to serve their community but may lack significant capital to invest in large swaths of spectrum. And significantly, to the point above, they increasingly lack the ability to keep up with the increased demand of their current customers, let alone prospective customers. Without the ability to access additional spectrum, deploy higher speeds, and expand their businesses, small internet providers in my district risk underserving rural areas which threatens their business model and even their existence.

Additionally, small internet providers in my district are concerned about the proposed changes to auctioning off CBRS licenses. Specifically, they are concerned about the attempt to increase the size of license areas beyond census-tract-sized areas and increasing the length of a license to ten years. While these changes may benefit larger mobile carriers in deploying 5G technology, they may inadvertently decrease competition and hamper rural broadband by driving out smaller internet providers.

The current census-tract-sized license approach increases competition by enabling more entities to participate in the CBRS band. However, without census-tract-sized licenses, small internet providers in my district are concerned they will have virtually no ability to acquire protected spectrum in this band. That harms the rural broadband business model and inhibits their ability to grow. But worse it would harm the consumers for whom this spectrum is the key to high-speed fixed broadband access. Many small rural providers already invested in the band under the current rules and now those investments may be wasted as a result of the FCC's proposed changes.

I hope these concerns I raise on behalf of my constituents are well-received and will help inform the FCC's consideration of these issues at its October meeting and beyond.

I look forward to continuing to work with you, your staff, and the Trump Administration to address the critically important technology, communications, and safety issues facing the American people.

Sincerely,

A handwritten signature in blue ink that reads "Steve King". The signature is written in a cursive, flowing style.

Steve King
Member of Congress

SK\ZW



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

December 28, 2018

The Honorable Steve King
U.S. House of Representatives
2210 Rayburn House Office Building
Washington, DC 20515

Dear Congressman King:

Thank you for your recent letter. I very much enjoyed meeting with the team at Spencer Municipal Utilities last year. Visiting communities like Spencer—communities that make every effort to bring high-speed broadband to their residents—always reminds me of the resilience of the American people and the ingenuity of rural communities to find new solutions to old problems.

Thank you for sharing your concerns regarding the 3.5 GHz Citizens Broadband Radio Service band. Shortly after becoming Chairman in January 2017, I asked Commissioner O’Rielly to take the lead in examining whether the Commission’s 3.5 GHz rules struck the right balance for encouraging investment and innovation in the band. Those rules facilitate shared use of the 3.5 GHz band. Our more recent decision leaves that core sharing framework in place and makes targeted updates to the licensing and technical rules that will encourage more efficient and intensive use of the band. To accomplish this goal, we made targeted updates to the licensing and technical rules that will encourage more efficient and intensive use of the band. We increased the size of PAL license areas to counties, a compromise between census tracts and much larger Partial Economic Areas and one supported by rural interests such as the Rural Wireless Association, the Competitive Carriers Association, and NTCA—The Rural Broadband Association. We also extended license terms from three to ten years with a renewal expectancy. Based on the record developed in this proceeding, we expect that these rules will promote additional investment and encourage broader deployment in the band by small mobile wireless providers and rural wireless Internet service providers, ensure that our rules for this service keep up with technological advancements, and help to maintain U.S. leadership in the deployment of next-generation services, including 5G.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, reading "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part.

Ajit V. Pai